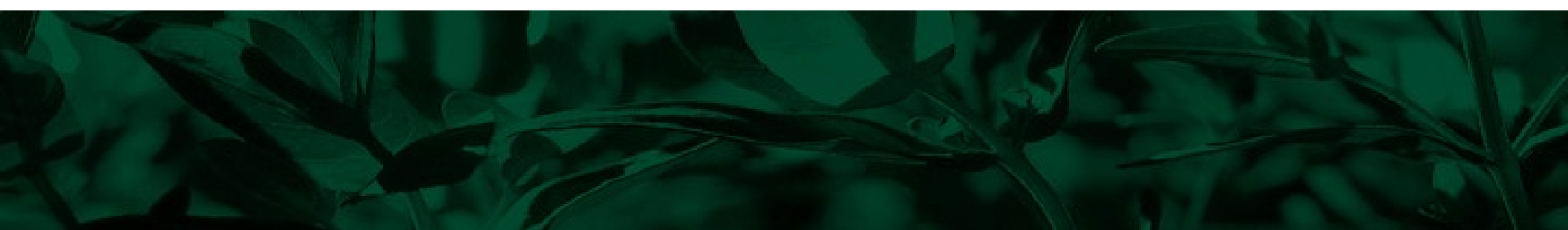




Western Australia: Energy intensive industries

Strategic Plan to meet
emerging Greenhouse challenges
to future industrial development



Western Australia: Greenhouse emissions

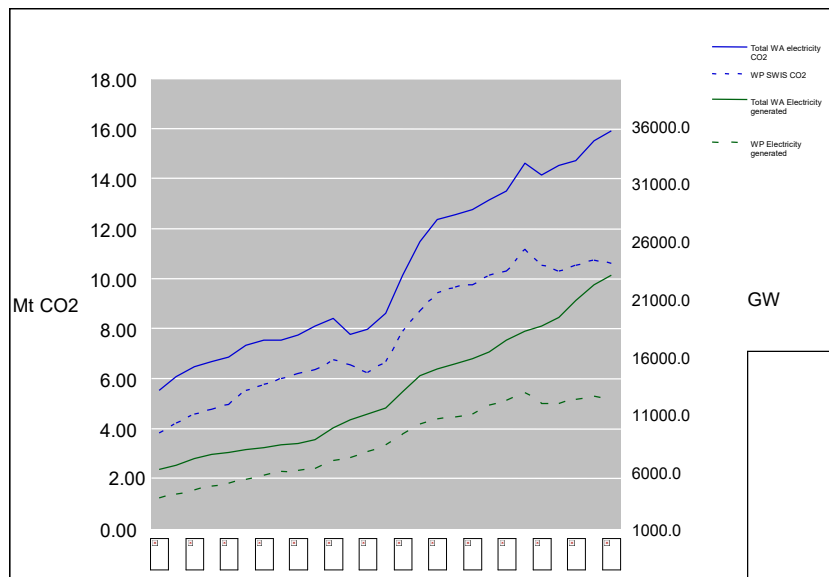
- **Australian emissions: 535Mt CO₂e (2000)**
 - increase of 6.3% since 1990
 - includes land use emission decline of 56%
- **WA emissions: 60 Mt CO₂e (1999)**
 - increase of 2% since 1990
 - includes land use emission decline of 75%
 - Mt/a



Western Australia: Greenhouse achievements

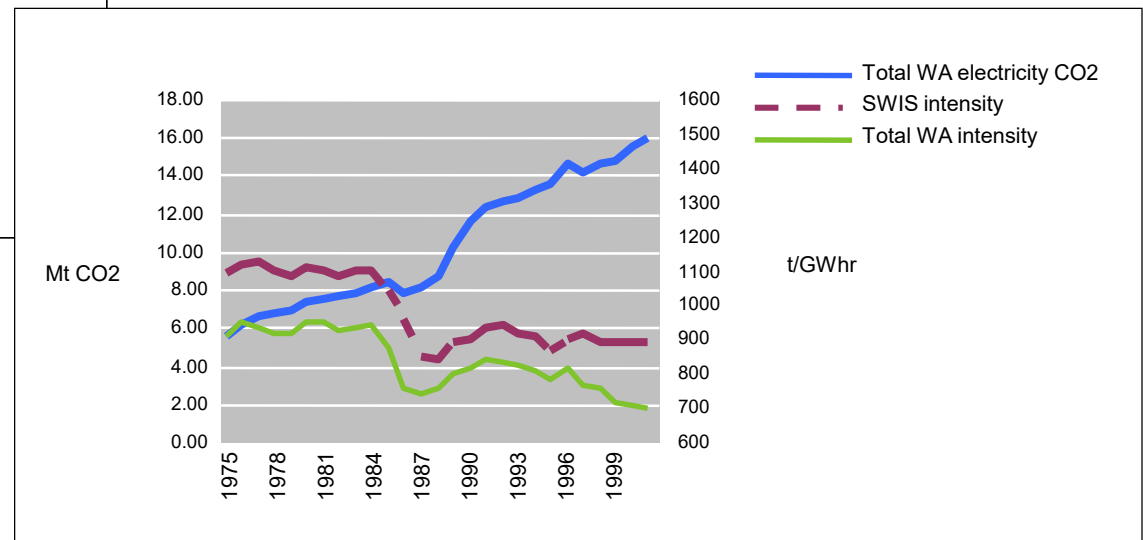
* Electricity sector transformed to natural gas

WA electricity production & CO2 emissions



WA intensity: 710 t/GWhr
Australian intensity: 884 t/GWhr

WA electricity CO2 emission intensity

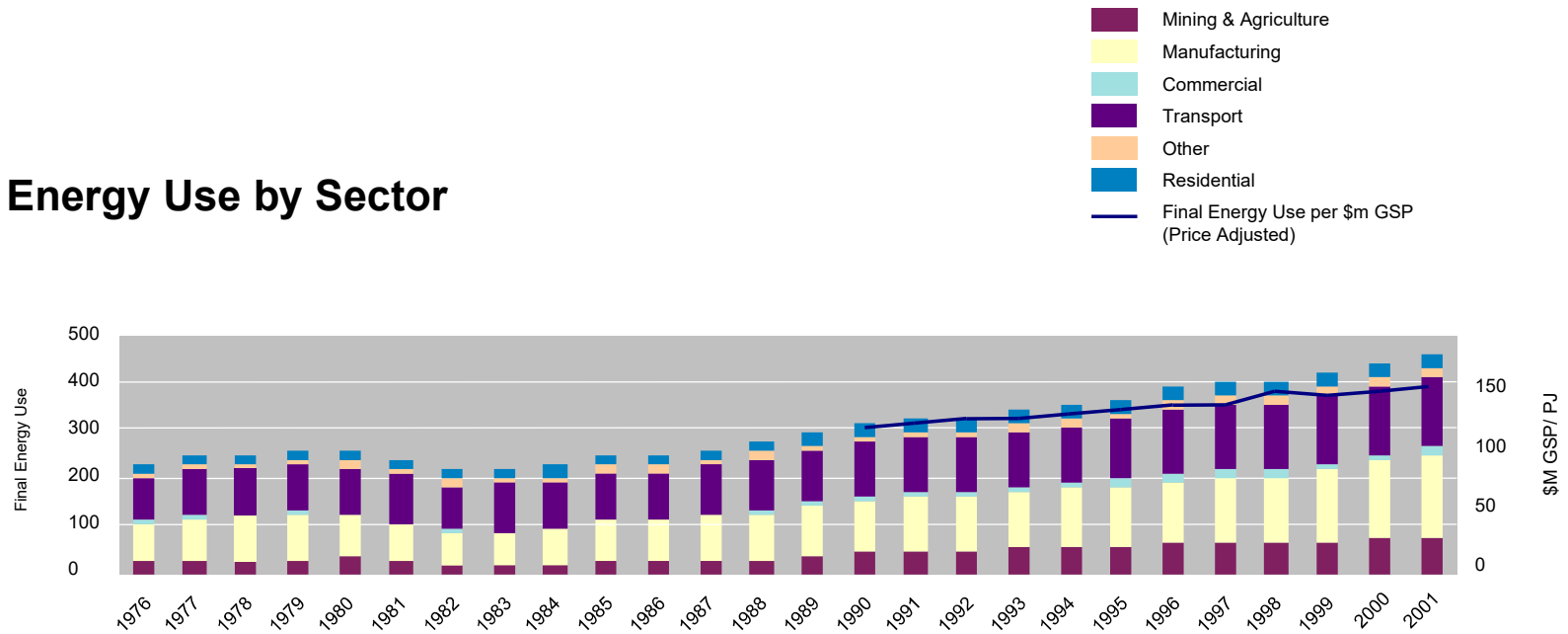


Greenhouse Taskforce

Western Australia: Greenhouse achievements

* 2.8% annual energy intensity reduction/GSP

Final Energy Use by Sector

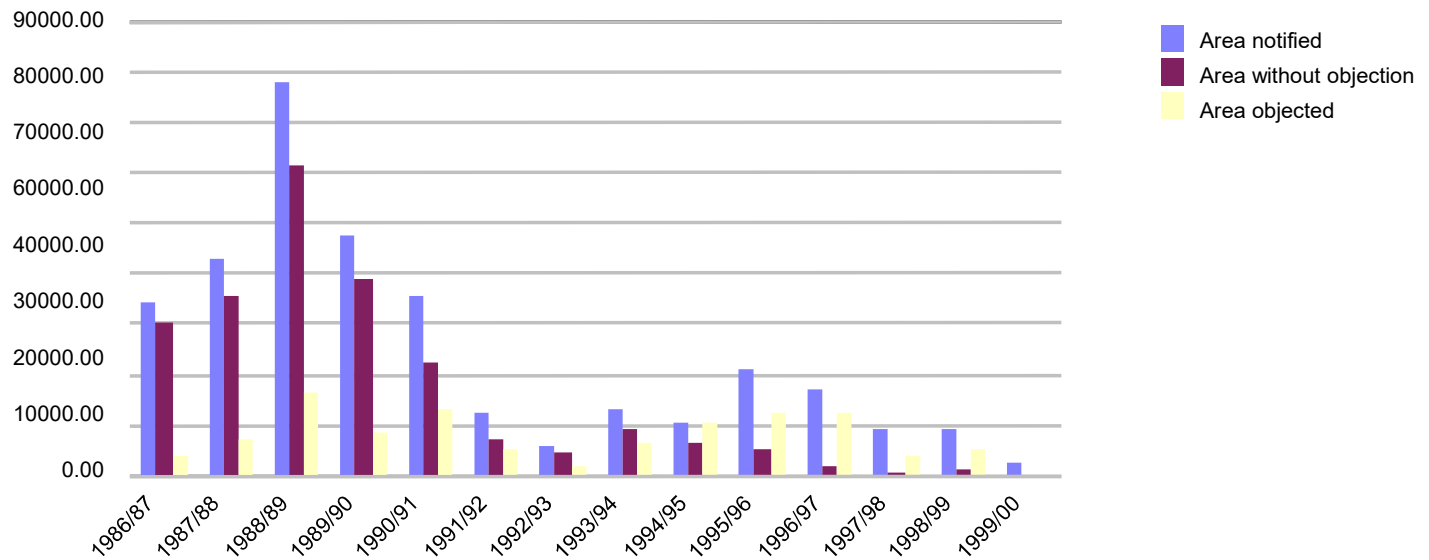


Greenhouse Taskforce

Western Australia: Greenhouse achievements

* land clearing reduced by 75%

Land Clearing Since 1986



Greenhouse Taskforce

Greenhouse Challenges



WA's Greenhouse Gas emissions 1990 to 1999, Mt CO₂ e

Sector	1990	1995	1999	% increase over 1990	
Energy	33.7	39.9	44.5	32%	
Industrial Processes	0.7	0.9	1.0	29%	
Agriculture	14.4	14.7	16.6	15%	
LUC&F	6.9	-3.7	-3.7	-153%	
Waste	1.4	1.5	1.6	14%	
TOTAL Nett	57.2	53.2	59.9	5%	
% increase over 1990	0	-7	5		
TOTAL (excluding LUC&F)	50.3	57.0	63.6	27%	
% increase over 1990	0	13	27		



Greenhouse Challenges



Energy intensive projects -> +30% increase in WA's GHG emissions

Woodside 4 & 5:	2.9 Mt/a
Syntroleum	1.2 Mt/a
Burrup Fertilisers	1.4 Mt/a
Methanex (incl 2 nd plant)	2.0 Mt/a
Dampier Nitrogen	0.8 Mt/a
Liquigas	0.5 Mt/a
Japan DME	1.0 Mt/a
DME International	N/A
Hi Smelt (1.5 Mt/a each stage)	3.0 Mt/a
Gorgon (3.2 MT/a with geo seq)	7.4 Mt/a
TOTAL:	20.2 Mt/a



Strategic Plan to Reduce Industry Emissions

- 1. Mandatory emission reporting**
- 2. Abatement strategy**
- 3. Greenhouse Fund**
- 4. Emission reduction / trading registry**
- 5. Emission trading market**

1 Mandatory Emission Reporting

- Identify & record industry emissions
- Help industry focus
- Government policy support
- Research into cost to industry, introduction level
- Link to NGGI, Greenhouse Challenge
- Introduce: from 2005



2 WA Emission Abatement Program



- No national abatement framework
- Support industry abatement initiatives
- Apply to all industries reporting to inventory
- Clear emission abatement targets
- Offset purchase & emission trading allowed
- Introduce: from 2008 if no national program



3 Greenhouse Fund

- Contains all Government carbon sequestration & emission reductions
- Contains emission reductions from voluntary vehicle licences and other sources
- Tradeable within WA, NSW, Kyoto
- Available as incentive for investment
- Income used for further sequestration & emission reduction projects and industry development and research projects into abatement
- Introduce: from 2005



4 Emission Reduction / Trading Registry



- Privately operated
- Certifies emission & sequestration credits
- Issues tradeable certificates
- Protects emission baselines
- Integrate with national or international registries
- Introduce: by 2005



5 Emission Trading Market

- Minimises costs to industry - least cost abatement outcome
- Integrate with national & international markets
- Voluntary engagement
- Introduce: from 2005



Implementation Time Frame

